GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:5916
ANSWERED ON:04.05.2005
ELECTRONIC BIDDING SYSTEM
Singh Shri Sugrib

Will the Minister of COAL be pleased to state:

(a) whether the Coal India proposes to start electronic bidding system;

(b) if so, the details thereof;

(c) whether the new system will help to check the alleged corruption prevailing in the coal sector;

(d) if so, the details thereof;

(e) the time by which the new system is likely to start functioning?

Answer

THE MINISTER OF STATE FOR COAL (DR.DASARI NARAYANA RAO)

(a) Yes, Sir.

(b): Government has approved sale of 10 million tonnes of coal through electronic auction on Internet by Coal India Limited for the year 2005-06 on trial basis. In this E-auction non-core consumers and non-linked consumers,as also traders can participate and bid for the quantity as per requirement from the preferred sources.

(c) & (d): E-auction scheme is a transparent system of allocating coal. E-auction rates reflect the market rates and therefore reduce the scope of black marketing and corruption in allocation of coal.

(e): The trial e-auction sale of coal has already started in some of the subsidiaries of Coal India Limited and from May,2005 it is expected that all coal subsidiaries will have the trial e-auctions after completing the necessary formalities.